

GREEN COUNTY

Monroe, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2012

GREEN COUNTY

TABLE OF CONTENTS As of and for the Year Ended December 31, 2012

INDEPENDENT AUDITORS' REPORT	i – iii
MANAGEMENT'S DISCUSSION AND ANALYSIS	iv – xviii
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	2 – 3
Fund Financial Statements	
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
Statement of Net Position – Proprietary Funds	7 – 8
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	9
Statement of Cash Flows – Proprietary Fund Types	10 – 11
Statement of Assets and Liabilities – Agency Funds	12
Index to Notes to Financial Statements	13
Notes to Financial Statements	14 – 45
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	46 – 51
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Human Services Special Revenue Fund	52
Notes to Required Supplementary Information	53
SUPPLEMENTARY INFORMATION	
Combining Balance Sheet – Nonmajor Governmental Funds	54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	55
Combining Statement of Assets and Liabilities – All Agency Funds	56

INDEPENDENT AUDITORS' REPORT

To the County Board
Green County
Monroe, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Green County, Wisconsin, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Green County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to Green County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of Green County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the County Board
Green County

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Green County, Wisconsin, as of December 31, 2012 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note I, Green County adopted the provisions of GASB Statement No. 63, *Financial Reporting for Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective January 1, 2012. Our opinions are not modified with respect to this matter.

As discussed in Note IV. J., Green County began reporting the Highway fund as an enterprise fund, rather than an internal service fund, effective January 1, 2012. This required the restatement of beginning net position in the governmental activities, the business-type activities, the highway internal service fund, and the highway enterprise fund. Our opinions are not modified with respect to this matter.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Green County's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements are fairly stated in all material respects, in relation to the basic financial statements as a whole.

To the County Board
Green County

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of Green County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Green County's internal control over financial reporting and compliance.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
June 24, 2013

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

As management of Green County, Wisconsin, we offer readers of the county's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with the county's financial statements and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- > The assets of Green County exceeded its liabilities as of December 31, 2012 by \$58,287,286 (net position). Of this amount, \$9,438,542 (unrestricted net position) may be used to meet the government's obligations to citizens and creditors. The total net position includes all major infrastructure networks.
 - > The county's total net position increased by \$1,497,309.
 - > As of December 31, 2012 Green County's governmental funds reported a combined ending fund balance of \$11,389,511. Of this amount \$3,397,042 is assigned to offset 2013 operations; \$4,393,012, approximately 39%, is unassigned and available for use within the county's designations and policies.
 - > At the end of the current fiscal year, the unassigned fund balance for the general fund was approximately 25% of the total general fund expenditures.
 - > At the end of the current fiscal year, general obligation debt is \$12,245,000, approximately 9% of the county's total debt limit of \$130,572,775.
-

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the county's basic financial statements. The county's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the county's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the county's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Green County is improving or deteriorating. To assess the overall health of the county you need to consider additional non-financial factors such as changes in the county's property tax base and the condition of the county's infrastructure.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

GOVERNMENT-WIDE FINANCIAL STATEMENTS (cont.)

The Statement of Activities presents information showing how the county's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., uncollected taxes and earned but unused compensated absences).

Both government-wide financial statements distinguish functions of Green County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government; public safety; public works; health and human services; culture, education and recreation; and conservation and development. The business-type activities of the county include the Pleasant View Nursing Home, highway department, and the solid waste management facility.

The government-wide financial statements can be found on pages 1-3 of this report.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Green County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the county can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Most of the county's basic services are reported in governmental funds. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily used for cash. Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. In doing so, readers may better understand the long-term impact of the county's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

Green County maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, and expenditures, and changes in fund balances for the General Fund and the Human Services Special Revenue Fund, which are considered to be major funds. Data from the other governmental funds, Debt Service, the Capital Projects Fund, and Revolving Loan Special Revenue Fund, are combined into a single, aggregated presentation. Individual fund data for these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The county adopts an annual appropriated budget for all its governmental funds. As part of the required supplementary information, budgetary comparison statements have been provided in detail for the General Fund, and in summary for the Human Services Special Revenue Fund, to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 4-6 of this report.

Proprietary Funds – When the county charges customers for the services it provides – whether to outside customers or to other units of the county – these services are generally reported in proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The county uses enterprise funds to account for its solid waste operations, nursing home, and highway operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. These statements provide separate information for Pleasant View Nursing Home, the landfill, and highway since they are considered to be major funds of the county.

The basic proprietary fund financial statements can be found on pages 7-11 of this report.

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. All fiduciary funds are combined into a single aggregated presentation in the fiduciary fund financial statement. Individual fund data for the fiduciary funds is provided in the form of a combining statement elsewhere in this report. The basic fiduciary fund financial statement can be found on page 12 of this report.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

Notes to the Financial Statements – the notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13-45.

Other Information – In addition to the basic financial statements and accompanying notes, *required supplementary information* includes a budgetary comparison schedule for the General Fund and the Human Services Special Revenue Fund to demonstrate compliance with the budget. This section also presents required supplementary information regarding the county's general budgetary information. These schedules and accompanying notes can be found on pages 46-53 of this report. The combining statements referred to earlier in connection with non-major governmental funds and fiduciary funds is presented immediately following the required supplementary information. Combining statements can be found on pages 54-56.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

An analysis of the county's financial position begins with a review of the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. These two statements report the county's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Green County, assets exceeded liabilities by \$58,287,286 as of December 31, 2012. At the end of the current fiscal year, Green County is able to report positive balances in all three categories of net position, for the government as a whole, as well as for its governmental activities and business-type activities separately.

The next two tables include comparative data of net position for the years ended December 31, 2011 and December 31, 2012. It should be noted that the highway fund, which was previously shown as an internal service fund and as part of governmental activities, is now shown as an enterprise fund and as part of business-type activities. 2012 amounts reflect this change, prior year columns have not been restated. Please see Note IV. J. on page 42 for further information.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

GREEN COUNTY'S NET POSITION December 31, 2012 and 2011

	Governmental Activities		Business - Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Current and Other Assets	\$ 26,968,716	\$ 27,772,160	\$ 5,347,378	\$ 3,874,035	\$ 32,316,094	\$ 31,646,195
Capital Assets	53,521,828	57,390,611	6,327,791	2,482,383	59,849,619	59,872,994
Total Assets	80,490,544	85,162,771	11,675,169	6,356,418	92,165,713	91,519,189
Long-term Liabilities Outstanding	13,256,174	14,178,745	1,698,325	1,624,974	14,954,499	15,803,719
Other Liabilities	15,288,564	15,630,278	3,635,364	3,295,215	18,923,928	18,925,493
Total Liabilities	28,544,738	29,809,023	5,333,689	4,920,189	33,878,427	34,729,212
Net Position:						
Net Investment in Capital Assets	41,239,816	44,359,380	5,383,896	1,366,572	46,623,712	45,725,952
Restricted	2,225,032	2,085,639	-	14,129	2,225,032	2,099,768
Unrestricted (Deficit)	8,480,958	8,908,729	957,584	55,528	9,438,542	8,964,257
Total Net Position	\$ 51,945,806	\$ 55,353,748	\$ 6,341,480	\$ 1,436,229	\$ 58,287,286	\$ 56,789,977

The largest portion of the county's net position (approximately 80%) reflects its investments in capital assets (e.g., land, buildings, machinery and equipment, infrastructure, etc.); less any related debt used to acquire those assets that is still outstanding. The county uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the county's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt, must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the county's net position (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$9,438,542, may be used to meet the county's ongoing obligations to citizens and creditors.

Analysis of the County's Operations – The following table provides a comparison summary of the county's operations for the years ended December 31, 2011 and December 31, 2012. Governmental activities experienced an increase in net position of \$685,692. Business-type activities experienced an increase in net position of \$811,617.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

GREEN COUNTY CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 4,127,045	\$ 7,919,414	\$ 17,059,437	\$ 9,969,411	\$ 21,186,482	\$ 17,888,825
Operating Grants & Contributions	6,668,114	7,042,853	1,192,945	1,034,497	7,861,059	8,077,350
Capital Grants & Contributions	-	-	428,716	-	428,716	-
General Revenues:						
Property Taxes	13,777,624	13,467,696	886,763	886,782	14,664,387	14,354,478
Sales Taxes	2,209,359	2,160,951	-	-	2,209,359	2,160,951
Other Taxes	10,825	10,410	-	-	10,825	10,410
Intergovernmental	403,196	504,458	-	-	403,196	504,458
Investment Income	542,195	557,960	30,679	35,162	572,874	593,122
Total Revenues	<u>27,738,358</u>	<u>31,663,742</u>	<u>19,598,540</u>	<u>11,925,852</u>	<u>47,336,898</u>	<u>43,589,594</u>
Expenses:						
General Government	4,040,943	8,114,007	-	-	4,040,943	8,114,007
Public Safety	5,702,117	5,514,025	-	-	5,702,117	5,514,025
Public Works	5,119,456	4,037,161	-	-	5,119,456	4,037,161
Health & Human Services	10,319,682	9,677,157	-	-	10,319,682	9,677,157
Culture, Recreation, & Education	727,553	727,359	-	-	727,553	727,359
Conservation & Economic Development	999,365	987,483	-	-	999,365	987,483
Interest & Fiscal Charges	463,252	471,825	-	-	463,252	471,825
Pleasant View Nursing Home	-	-	10,333,284	9,937,232	10,333,284	9,937,232
Landfill	-	-	824,636	1,119,863	824,636	1,119,863
Highway	-	-	7,309,301	-	7,309,301	-
Total Expenses	<u>27,372,368</u>	<u>29,529,017</u>	<u>18,467,221</u>	<u>11,057,095</u>	<u>45,839,589</u>	<u>40,586,112</u>
Excess (Deficiency) Before Transfers	365,990	2,134,725	1,131,319	868,757	1,497,309	3,003,482
Transfers	319,702	886	(319,702)	(886)	-	-
Increase (Decrease) in Net Position	685,692	2,135,611	811,617	867,871	1,497,309	3,003,482
Net Position - Beginning of Year (as restated)	<u>51,260,114</u>	<u>53,218,137</u>	<u>5,529,863</u>	<u>568,358</u>	<u>56,789,977</u>	<u>53,786,495</u>
Net Position - End of Year	<u>\$ 51,945,806</u>	<u>\$ 55,353,748</u>	<u>\$ 6,341,480</u>	<u>\$ 1,436,229</u>	<u>\$ 58,287,286</u>	<u>\$ 56,789,977</u>

GREEN COUNTY

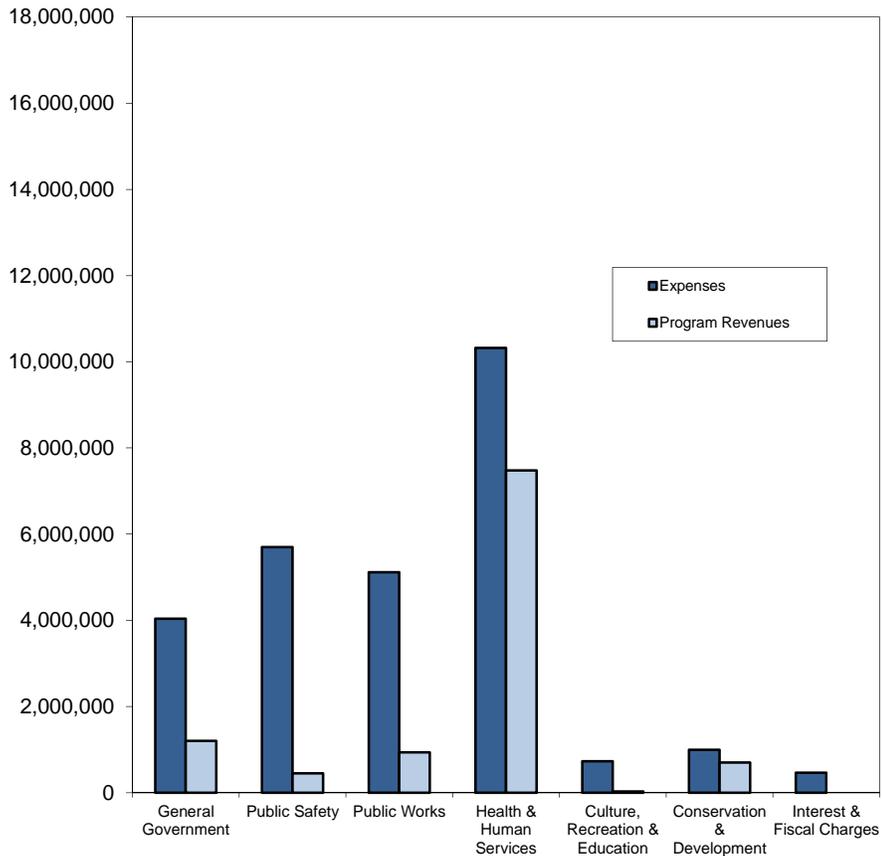
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

Governmental activities are generally supported by property taxes with the exception of Health and Human Services functions which receive approximately 71% of their funding from program revenues. The following chart compares expenses and program revenues for governmental activities.

Expenses and Program Revenues Governmental Activities



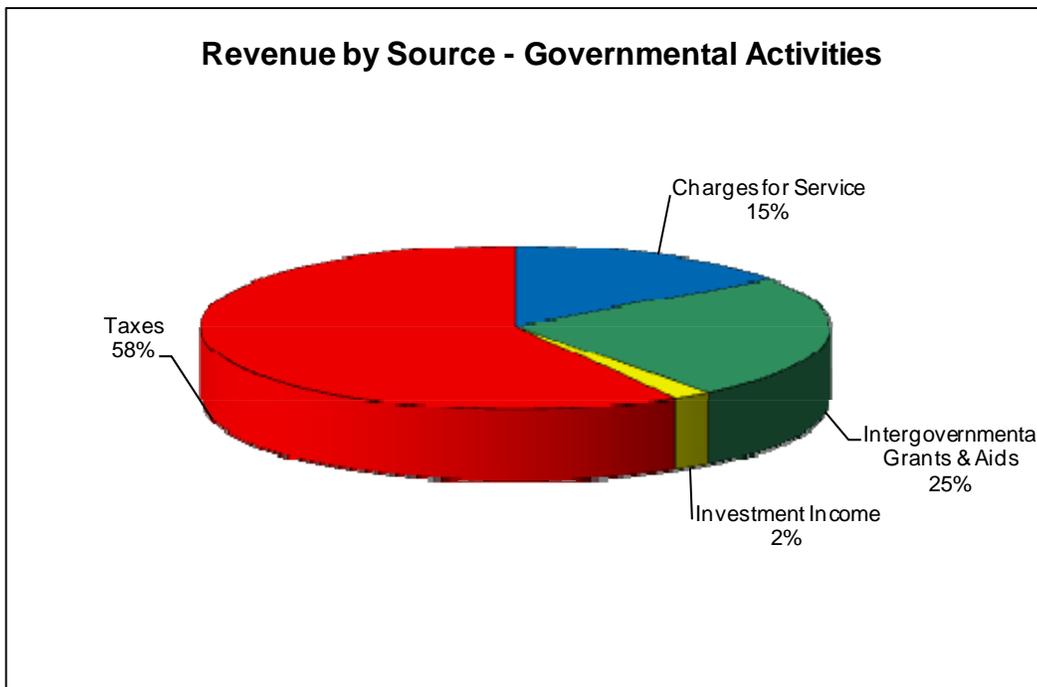
GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

The distribution of revenues in governmental activities has shifted from charges for service to taxes; while intergovernmental revenues and investment income remain fairly constant. Overall, taxes and intergovernmental grants and aids are approximately 83% of total revenues, public charges and other sources provide the balance of the revenue.



GREEN COUNTY

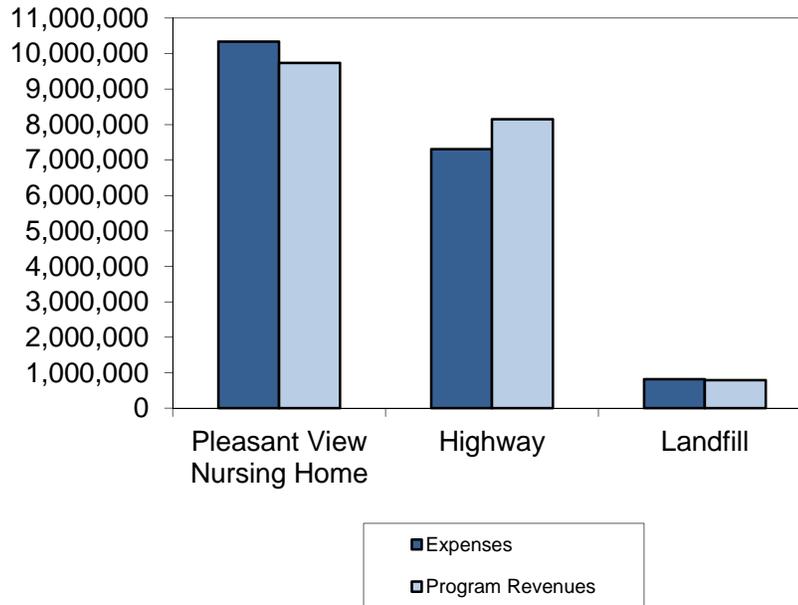
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

A comparison of operating expenses and revenues for business-type activities is illustrated in the following chart. Pleasant View Nursing Home continues to rely, to some extent, on intergovernmental revenues and property taxes to supplement program revenues.

Expenses and Program Revenues Business-type Activities



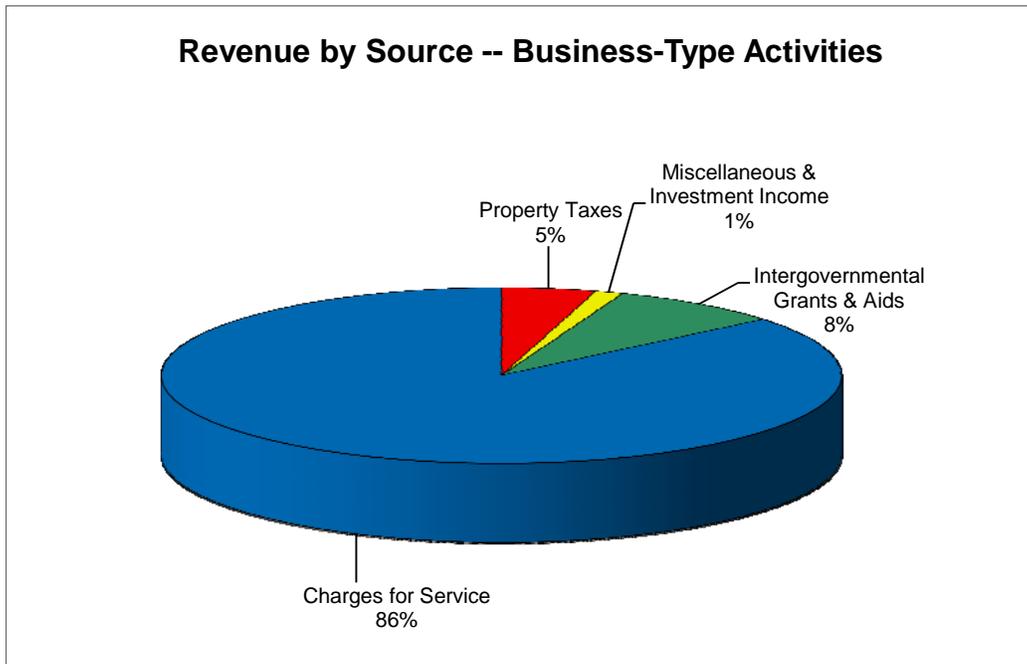
GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

The major sources of revenue for business-type activities are charges for services; other revenues make up approximately 12% of total revenues.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

GOVERNMENTAL FUNDS

The focus of Green County's governmental fund statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the county's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, Green County's governmental funds reported combined ending fund balances of \$11,389,511. Approximately 68% or \$7,790,054 constitutes unrestricted fund balance. Of the remaining fund balance, \$1,374,425 is classified as nonspendable -- \$356,534 for prepaid items and \$1,017,891 for long-term receivables. An additional amount of \$2,225,032 is restricted, \$298,489 for grant purposes, \$76,522 for jail improvement, \$106,629 for land information, \$467,788 is donor-restricted, and \$1,275,604 for revolving loans.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (cont.)

GOVERNMENTAL FUNDS (cont.)

The total unrestricted fund balance of \$7,790,054, is divided into separate classifications of assigned and unassigned. \$3,397,042 is assigned fund balance and is intended to be used for specific types of activities as follows:

- > Funds intended to reduce the tax levy for next fiscal year are \$2,183,963 from county sales tax collected.
- > An amount of \$642,084 is intended for future highway projects; \$139,404 is intended for human services programs, \$262,787 for capital projects, \$63,439 for rail line projects, and \$36,211 for law enforcement operations. The remainder is intended for specialized activities including tourism programs, recreational trails, conservation and educational programs, and property improvements.

The remaining \$4,393,012 or 39% of the total fund balance is classified as unassigned.

General Fund

The county's General Fund is used to account for the majority of the county's operations with the exception of the Human Services Department and the business activities recorded in other major funds. Operations included in the General Fund include the departments of Family Court Commissioner, Corporation Counsel, Finance, Child Support, Property and Building Management, Veteran's Service, Emergency Management, Public Health, Parks, University Extension, Land Conservation, Public Works, Tourism, and Community Development. This fund also accounts for the activity of the elected offices of the County Clerk, the Sheriff, the Coroner, the Clerk of Courts, the District Attorney, the County Treasurer, and the Register of Deeds.

During the current year, the fund balance of the General Fund increased by \$547,953. Major factors that make up this change are as follows:

- > Sales tax fund balance increased by \$423,012.
- > A net amount of \$669,391 was returned from general fund departments; budget shortfalls of \$16,739 in a few departments were offset by \$686,130 of increased revenue or decreased expenditures in other departments.
- > An amount of \$359,575 of prior year fund balance was used for 2012 highway projects.
- > Approximately \$190,000 of assigned fund balance in various departments from 2011 was expended in the current year.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (cont.)

GOVERNMENTAL FUNDS (cont.)

Human Services

The Human Services fund is used to account for the revenues and expenditures associated with the Human Services Department. The majority of the funding comes from a wide variety of intergovernmental revenues including medical assistance revenue for community based waiver programs, family care, and collections. The total county contribution for Human Services programs in 2012 was \$2,627,182 or 31% of total 2012 expenditures. \$115,060 of original appropriations were returned to the general fund at the end of 2012, the majority of this can be attributed to lower costs for children in care.

At the end of the current fiscal year, the Human Services fund had a fund balance of \$716,202, an increase of \$11,530 from the previous year. The majority of this balance, \$576,798 is restricted; \$467,788 is the amount remaining from a bequest to be used for programs for the elderly, and the balance is grant funding for specific programs. The assigned portion of the fund balance, as well as the current year increase, represents program specific revenue retained for future expenditures.

Capital Projects

The Capital Projects Fund is used to account for and report financial resources that are assigned to expenditures for capital outlays including the acquisition or construction of capital facilities or other capital assets.

At the end of the current fiscal year, the Capital Projects Fund had a fund balance of \$262,787, a decrease of \$89,783. The decrease in fund balance is partially due to current year expenditures for a major fire suppression system at the nursing home. Current year appropriations of \$200,000 were committed for the fire suppression system at the nursing home; however, \$234,225 of the prior year fund balance was transferred to Pleasant View Nursing Home for extraordinary maintenance projects.

Debt Service

The Debt Service Fund accounts for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs. Total payments in 2012 included \$575,000 for principal and \$464,210 in interest. At the end of 2012, total general obligation long term debt of Green County was \$12,245,000.

Revolving Loan Fund

The Revolving Loan Fund accounts for Economic Development grants to Green County for business loans. As loans are repaid Green County uses the funds to loan to other businesses. The principal amount of outstanding loans as of December 31, 2012 was \$818,630. In 2012, interest received on outstanding loans was \$27,517, which is the increase in fund balance.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (cont.)

PROPRIETARY FUNDS

Green County's proprietary fund statements provide the same type of information found in the county's government-wide financial statements, but in more detail.

At the end of the current fiscal year, Green County's proprietary funds reported combined net position of \$6,341,480.

Pleasant View Nursing Home

This fund is used to account for the operations of the county nursing home. In addition to charges for service, the nursing home receives grant funding from the intergovernmental transfer program and supplemental funding from county tax dollars. For the current fiscal year, Pleasant View Nursing Home received \$1,192,945, approximately 11.6% of their operating expenses, from the intergovernmental transfer program. The County provided \$886,763 in tax dollars to supplement nursing home operations, approximately 8.6% of total operating expenses.

Landfill

The landfill fund is used to account for the county's solid waste management operations. The landfill officially closed for waste disposal in 2000, but continues to operate as a transfer station. All expenses are charged to users, no county tax dollars support landfill operations. The county is liable for long-term care and post closure monitoring for 40 years after closure. The landfill shows a deficit balance of \$503,072 in unrestricted net position due to this liability for long-term care and post closure monitoring of the landfill site.

Highway

The highway fund operates as an enterprise fund providing services to the county, state, and local governments for maintenance and construction of roads located in the county. The general fund is responsible for maintenance of county highways. The highway department maintains state and town roadways on a contract reimbursement basis with the State of Wisconsin and other local governments.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

GENERAL FUND BUDGETARY HIGHLIGHTS

Green County officially amends the budget at the end of the year after final appropriations are determined. Transfers may be made during the year as legislated by the County Board of Supervisors. Actual 2012 revenues exceeded budgeted amounts by \$984,130. Major factors affecting this variance are as follows:

- > Sales tax collections exceeded budgeted amounts by \$209,359.
- > Interest and penalty on delinquent taxes exceeded budgeted amounts by \$140,704.
- > Intergovernmental grants and exceeded budgeted amounts by \$249,556.
- > Charges to other governmental units and the public exceeded original estimates by \$253,913.

As a total, the final general fund expenditures were higher than original budgeted amounts by \$454,983. Some major items that contributed to this variance are as follows:

- > An additional \$329,630 was expended for work on county roadways; these expenditures were covered by carryover funds from 2011.
- > \$164,332 was expended for high resolution mapping funded through a Community Development Grant.

As a result of general fund operations in 2012 a net amount of \$669,391 was returned to unassigned fund balance. More detail about the general fund budget to actual comparison may be found in Required Supplementary Information on pages 46-51 of this report.

CAPITAL ASSETS

At the end of 2012, Green County has a total \$59,849,619 invested in capital assets (net of accumulated depreciation). The majority of these assets (89%) \$53,521,828 relate to governmental activities and \$6,327,791 are in business-type activities. This investment in capital assets includes land, land improvements, construction work in progress, buildings, machinery and equipment, and infrastructure.

Major additions for governmental activities for 2012 include:

- > \$1,834,972 for infrastructure, which includes county roads, right of way, bridges, and culverts.
- > \$158,768 for vehicles at the sheriff's department funded by general purpose revenues.
- > \$72,125 for buildings and \$48,354 for land improvements on county properties funded by general purpose revenue.
- > \$52,234 for office equipment funded by general purpose revenues.

GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2012

CAPITAL ASSETS (cont.)

Major increases for business-type activities include:

- > \$662,190 for highway machinery & equipment.
- > \$43,300 for construction in progress at the nursing home.
- > \$252,510 for building improvements at the nursing home.

More detailed information about Green County's capital assets may be found in Note IV. D. on pages 32-33 of this report.

LONG-TERM DEBT

At the end of 2012, the total of Green County's general obligation debt was \$12,245,000. In accordance with Wisconsin State Statutes, Chapter 67, Green County's total general obligation debt may not exceed 5% of the equalized value of the taxable property within the county's jurisdiction. The debt limit as of December 31, 2012, was \$130,572,775.

More detailed information on the county's long-term debt can be found in Note IV. F. on pages 36-37 of this report.

CURRENTLY KNOWN FACTS

All currently known facts and economic conditions were considered in preparing the 2013 county budget.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of Green County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Green County Finance Director, Courthouse, 1016 16th Avenue, Monroe, WI 53566.

GREEN COUNTY

STATEMENT OF NET POSITION
As of December 31, 2012

	Governmental Activities	Business- type Activities	Totals
ASSETS			
Cash and investments	\$ 9,039,375	\$ 370,971	\$ 9,410,346
Receivables (net of allowance for uncollectibles)			
Taxes	13,840,444	889,985	14,730,429
Delinquent taxes	1,311,562	-	1,311,562
Accounts	408,460	1,159,116	1,567,576
Loans	818,630	-	818,630
Internal balances	(192,128)	192,128	-
Due from other governmental units	1,385,839	331,351	1,717,190
Inventories	-	1,363,433	1,363,433
Prepaid items	356,534	4,832	361,366
Restricted Assets			
Temporarily Restricted			
Cash and investments	-	1,025,671	1,025,671
Resident trust funds	-	9,891	9,891
Capital Assets			
Land	1,678,779	26,417	1,705,196
Construction in progress	-	321,678	321,678
Other capital assets, net of accumulated depreciation/ amortization	<u>51,843,049</u>	<u>5,979,696</u>	<u>57,822,745</u>
Total Assets	<u>80,490,544</u>	<u>11,675,169</u>	<u>92,165,713</u>
LIABILITIES			
Accounts payable	596,482	509,552	1,106,034
Accrued liabilities	488,153	274,864	763,017
Due to other governmental units	105,670	-	105,670
Unearned revenue	13,879,673	1,748,139	15,627,812
Deposits	218,586	-	218,586
Liabilities payable from restricted assets	-	1,102,809	1,102,809
Noncurrent Liabilities			
Due within one year	982,408	586,962	1,569,370
Due in more than one year	<u>12,273,766</u>	<u>1,111,363</u>	<u>13,385,129</u>
Total Liabilities	<u>28,544,738</u>	<u>5,333,689</u>	<u>33,878,427</u>
NET POSITION			
Net investment in capital assets	41,239,816	5,383,896	46,623,712
Restricted			
Grant purposes	298,489	-	298,489
Jail improvement	76,522	-	76,522
Land information	106,629	-	106,629
Donor-restricted	467,788	-	467,788
Revolving loans	1,275,604	-	1,275,604
Unrestricted	<u>8,480,958</u>	<u>957,584</u>	<u>9,438,542</u>
TOTAL NET POSITION	<u>\$ 51,945,806</u>	<u>\$ 6,341,480</u>	<u>\$ 58,287,286</u>

See accompanying notes to financial statements.

GREEN COUNTY

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 4,040,943	\$ 845,226	\$ 357,363	\$ -
Public safety	5,702,117	323,794	128,365	-
Public works	5,119,456	-	938,351	-
Health and human services	10,319,682	2,620,232	4,855,534	-
Culture, recreation and education	727,553	4,063	23,897	-
Conservation and economic development	999,365	333,730	364,604	-
Interest and fiscal charges	463,252	-	-	-
Total Governmental Activities	27,372,368	4,127,045	6,668,114	-
Business-type Activities				
Pleasant View Nursing Home	10,333,284	8,547,353	1,192,945	-
Landfill	824,636	796,169	-	-
Highway	7,309,301	7,715,915	-	428,716
Total Business-type Activities	18,467,221	17,059,437	1,192,945	428,716
Total	\$ 45,839,589	\$ 21,186,482	\$ 7,861,059	\$ 428,716

General Revenues

Taxes

- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Property taxes, levied for capital projects
- Property taxes, levied for Pleasant View Nursing Home
- Sales taxes
- Other taxes

Intergovernmental revenues not restricted to
specific programs

Investment income

Transfers

Total General Revenues and Transfers

Change in Net Position

NET POSITION - Beginning (as restated)

NET POSITION - ENDING

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Totals
\$ (2,838,354)	\$ -	\$ (2,838,354)
(5,249,958)	-	(5,249,958)
(4,181,105)	-	(4,181,105)
(2,843,916)	-	(2,843,916)
(699,593)	-	(699,593)
(301,031)	-	(301,031)
<u>(463,252)</u>	<u>-</u>	<u>(463,252)</u>
<u>(16,577,209)</u>	<u>-</u>	<u>(16,577,209)</u>
-	(592,986)	(592,986)
-	(28,467)	(28,467)
-	835,330	835,330
-	<u>213,877</u>	<u>213,877</u>
(16,577,209)	213,877	(16,363,332)
12,538,411	-	12,538,411
1,039,213	-	1,039,213
200,000	-	200,000
-	886,763	886,763
2,209,359	-	2,209,359
10,825	-	10,825
403,196	-	403,196
542,195	30,679	572,874
<u>319,702</u>	<u>(319,702)</u>	<u>-</u>
<u>17,262,901</u>	<u>597,740</u>	<u>17,860,641</u>
685,692	811,617	1,497,309
<u>51,260,114</u>	<u>5,529,863</u>	<u>56,789,977</u>
<u>\$ 51,945,806</u>	<u>\$ 6,341,480</u>	<u>\$ 58,287,286</u>

See accompanying notes to financial statements.

GREEN COUNTY

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2012

	General	Human Services	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 7,971,342	\$ 343,353	\$ 724,680	\$ 9,039,375
Receivables				
Taxes	9,895,550	2,527,182	1,417,712	13,840,444
Delinquent taxes	1,311,562	-	-	1,311,562
Accounts	176,544	231,916	-	408,460
Loans	-	-	818,630	818,630
Due from other funds	212,592	-	-	212,592
Due from other governments	574,942	810,897	-	1,385,839
Prepaid items	356,534	-	-	356,534
TOTAL ASSETS	<u>\$ 20,499,066</u>	<u>\$ 3,913,348</u>	<u>\$ 2,961,022</u>	<u>\$ 27,373,436</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 239,480	\$ 352,083	\$ 4,919	\$ 596,482
Accrued liabilities	358,206	92,213	-	450,419
Deposits	24,392	-	-	24,392
Due to other governmental units	103,496	2,174	-	105,670
Due to other funds	395,780	8,940	-	404,720
Funds held for others	-	194,194	-	194,194
Deferred revenues	10,242,794	2,547,542	1,417,712	14,208,048
Total Liabilities	<u>11,364,148</u>	<u>3,197,146</u>	<u>1,422,631</u>	<u>15,983,925</u>
Fund Balances				
Nonspendable	1,374,425	-	-	1,374,425
Restricted	372,630	576,798	1,275,604	2,225,032
Assigned	2,994,851	139,404	262,787	3,397,042
Unassigned	4,393,012	-	-	4,393,012
Total Fund Balances	<u>9,134,918</u>	<u>716,202</u>	<u>1,538,391</u>	<u>11,389,511</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 20,499,066</u>	<u>\$ 3,913,348</u>	<u>\$ 2,961,022</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds (see Note II A).	53,521,828
Some receivables that are not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements (see Note IV B).	328,375
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds (see Note II A).	<u>(13,293,908)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 51,945,806</u>

See accompanying notes to financial statements.

GREEN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Year Ended December 31, 2012

	General	Human Services	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 12,304,514	\$ 2,527,182	\$ 1,239,213	\$ 16,070,909
Intergovernmental	2,847,325	4,048,672	-	6,895,997
Licenses and permits	209,768	-	-	209,768
Fines, forfeitures and penalties	255,325	38,385	-	293,710
Public charges for services	849,834	1,562,852	-	2,412,686
Intergovernmental charges for services	470,637	560,130	-	1,030,767
Investment income	496,901	-	31,985	528,886
Miscellaneous	254,315	72,211	-	326,526
Total Revenues	<u>17,688,619</u>	<u>8,809,432</u>	<u>1,271,198</u>	<u>27,769,249</u>
EXPENDITURES				
Current				
General government	3,813,844	-	14,834	3,828,678
Public safety	5,548,548	-	-	5,548,548
Public works	5,135,488	-	-	5,135,488
Health and human services	1,510,878	8,782,842	40,724	10,334,444
Culture, recreation and education	736,118	-	-	736,118
Conservation and economic development	989,356	-	-	989,356
Debt Service				
Principal	-	-	575,000	575,000
Interest and fiscal charges	-	-	464,210	464,210
Total Expenditures	<u>17,734,232</u>	<u>8,782,842</u>	<u>1,094,768</u>	<u>27,611,842</u>
Excess (deficiency) of revenues over expenditures	<u>(45,613)</u>	<u>26,590</u>	<u>176,430</u>	<u>157,407</u>
OTHER FINANCING SOURCES (USES)				
Capital lease issued	20,108	-	-	20,108
Transfers in	673,458	100,000	-	773,458
Transfers out	(100,000)	(115,060)	(238,696)	(453,756)
Total Other Financing Sources (Uses)	<u>593,566</u>	<u>(15,060)</u>	<u>(238,696)</u>	<u>339,810</u>
Net Change in Fund Balance	547,953	11,530	(62,266)	497,217
FUND BALANCES - Beginning	<u>8,586,965</u>	<u>704,672</u>	<u>1,600,657</u>	<u>10,892,294</u>
FUND BALANCES - ENDING	<u>\$ 9,134,918</u>	<u>\$ 716,202</u>	<u>\$ 1,538,391</u>	<u>\$ 11,389,511</u>

See accompanying notes to financial statements.

GREEN COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012

Net change in fund balances - total governmental funds	\$ 497,217
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital additions as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives with depreciation expense reported in the statement of activities.	
Capital additions are reported as expenditures in the fund financial statements but are capitalized in the government-wide financial statements	2,178,453
Depreciation is reported in the government-wide statements	(2,416,314)
Net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins) is to decrease net position.	(68,329)
Receivables not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(28,898)
Debt and lease proceeds provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Capital lease issued	(20,108)
Principal repaid	585,923
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(43,211)
Accrued interest on debt	959
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 685,692</u>

See accompanying notes to financial statements.

GREEN COUNTY

STATEMENT OF NET POSITION PROPRIETARY FUNDS As of December 31, 2012

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals Current Year
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Current Assets				
Cash and investments	\$ 104,580	\$ 265,991	\$ 400	\$ 370,971
Taxes receivable	889,985	-	-	889,985
Accounts receivable	999,265	29,189	130,662	1,159,116
Due from other funds	91,004	284	315,148	406,436
Due from other governmental units	-	41,261	290,090	331,351
Inventories	57,984	-	1,305,449	1,363,433
Prepaid items	4,832	-	-	4,832
Total Current Assets	<u>2,147,650</u>	<u>336,725</u>	<u>2,041,749</u>	<u>4,526,124</u>
Noncurrent Assets				
Restricted assets				
Cash and investments	-	1,025,671	-	1,025,671
Resident trust funds	9,891	-	-	9,891
Capital assets:				
Property and equipment	9,261,444	4,596,946	9,866,848	23,725,238
Less: Accumulated depreciation	<u>(7,408,280)</u>	<u>(3,865,549)</u>	<u>(6,123,618)</u>	<u>(17,397,447)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>1,853,164</u>	<u>731,397</u>	<u>3,743,230</u>	<u>6,327,791</u>
Total Noncurrent Assets	<u>1,863,055</u>	<u>1,757,068</u>	<u>3,743,230</u>	<u>7,363,353</u>
Total Assets	<u>4,010,705</u>	<u>2,093,793</u>	<u>5,784,979</u>	<u>11,889,477</u>

Business-type Activities - Enterprise Funds

	Pleasant View Nursing Home	Landfill	Highway	Totals Current Year
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 280,378	\$ 27,611	\$ 201,563	\$ 509,552
Accrued salaries and wages	182,858	6,492	72,717	262,067
Accrued interest	12,797	-	-	12,797
Vested employee benefits	177,821	9,188	89,605	276,614
Due to other funds	1,859	384	212,065	214,308
Unearned revenues	889,985	713,697	144,457	1,748,139
Current portion of capital lease payable	258,351	17,700	34,297	310,348
Total Current Liabilities	<u>1,804,049</u>	<u>775,072</u>	<u>754,704</u>	<u>3,333,825</u>
Noncurrent Liabilities				
Liabilities payable from restricted assets				
Funds held in trust	9,891	-	-	9,891
Long-term care payable	-	1,092,918	-	1,092,918
Capital lease payable	560,688	-	72,859	633,547
Vested employee benefits	320,052	15,178	142,586	477,816
Total Noncurrent Liabilities	<u>890,631</u>	<u>1,108,096</u>	<u>215,445</u>	<u>2,214,172</u>
Total Liabilities	<u>2,694,680</u>	<u>1,883,168</u>	<u>970,149</u>	<u>5,547,997</u>
NET POSITION				
Net investment in capital assets	1,034,125	713,697	3,636,074	5,383,896
Unrestricted (deficit)	281,900	(503,072)	1,178,756	957,584
TOTAL NET POSITION	<u>\$ 1,316,025</u>	<u>\$ 210,625</u>	<u>\$ 4,814,830</u>	<u>\$ 6,341,480</u>

See accompanying notes to financial statements.

GREEN COUNTY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended December 31, 2012

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals Current Year
	Home	Landfill	Highway	Current Year
OPERATING REVENUES				
Charges for services	\$ 8,109,600	\$ 796,169	\$ 7,715,915	\$ 16,621,684
Miscellaneous	437,753	-	-	437,753
Total Operating Revenues	<u>8,547,353</u>	<u>796,169</u>	<u>7,715,915</u>	<u>17,059,437</u>
OPERATING EXPENSES				
Operation and maintenance	9,797,980	724,504	6,863,276	17,385,760
Depreciation	189,294	100,132	446,025	735,451
Miscellaneous	311,100	-	-	311,100
Total Operating Expenses	<u>10,298,374</u>	<u>824,636</u>	<u>7,309,301</u>	<u>18,432,311</u>
Operating Income (Loss)	<u>(1,751,021)</u>	<u>(28,467)</u>	<u>406,614</u>	<u>(1,372,874)</u>
NONOPERATING REVENUES (EXPENSES)				
Property taxes	886,763	-	-	886,763
Intergovernmental grants	1,192,945	-	428,716	1,621,661
Investment income	477	30,202	-	30,679
Interest expense	(33,789)	-	-	(33,789)
Miscellaneous	(1,121)	-	-	(1,121)
Total Nonoperating Revenues (Expenses)	<u>2,045,275</u>	<u>30,202</u>	<u>428,716</u>	<u>2,504,193</u>
Income Before Transfers	<u>294,254</u>	<u>1,735</u>	<u>835,330</u>	<u>1,131,319</u>
TRANSFERS				
Transfers in	234,225	-	-	234,225
Transfers out	(477)	(181)	(553,269)	(553,927)
Total Transfers	<u>233,748</u>	<u>(181)</u>	<u>(553,269)</u>	<u>(319,702)</u>
Change in Net Position	<u>528,002</u>	<u>1,554</u>	<u>282,061</u>	<u>811,617</u>
NET POSITION - Beginning (restated)	<u>788,023</u>	<u>209,071</u>	<u>4,532,769</u>	<u>5,529,863</u>
NET POSITION - ENDING	<u>\$ 1,316,025</u>	<u>\$ 210,625</u>	<u>\$ 4,814,830</u>	<u>\$ 6,341,480</u>

See accompanying notes to financial statements

GREEN COUNTY

STATEMENT OF CASH FLOWS PROPRIETARY FUND TYPES For the Year Ended December 31, 2012

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals Current Year
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 8,923,988	\$ 757,330	\$ 7,664,950	\$ 17,346,268
Resident trust funds	1,811	-	-	1,811
Cash paid to suppliers for goods and services	(6,575,037)	(534,713)	(5,058,270)	(12,168,020)
Cash payments to employees for operating payroll	(4,395,996)	(168,084)	(1,778,800)	(6,342,880)
Net Cash Flows From Operating Activities	<u>(2,045,234)</u>	<u>54,533</u>	<u>827,880</u>	<u>(1,162,821)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers out	(477)	(181)	(553,269)	(553,927)
Intergovernmental grants	1,692,945	-	428,716	2,121,661
General property tax revenues	886,763	-	-	886,763
Net Cash Flows From Non-Capital Financing Activities	<u>2,579,231</u>	<u>(181)</u>	<u>(124,553)</u>	<u>2,454,497</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Marketable securities purchased	-	(29,990)	-	(29,990)
Marketable securities sold	-	46,454	-	46,454
Investment income	477	30,202	-	30,679
Net Cash Flows From Investing Activities	<u>477</u>	<u>46,666</u>	<u>-</u>	<u>47,143</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Cash used to retire debt	(241,089)	(37,983)	(75,990)	(355,062)
Interest paid	(37,556)	-	-	(37,556)
Transfer from county for capital items	234,225	-	-	234,225
Acquisition and construction of capital assets	(392,725)	-	(662,190)	(1,054,915)
Salvage value	-	-	35,253	35,253
Net Cash Flows From Capital and Related Financing Activities	<u>(437,145)</u>	<u>(37,983)</u>	<u>(702,927)</u>	<u>(1,178,055)</u>
Net Increase in Cash and Cash Equivalents	97,329	63,035	400	160,764
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>17,142</u>	<u>202,956</u>	<u>-</u>	<u>220,098</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 114,471</u>	<u>\$ 265,991</u>	<u>\$ 400</u>	<u>\$ 380,862</u>

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals Current Year
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (1,751,021)	\$ (28,467)	\$ 406,614	\$ (1,372,874)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Depreciation	189,294	100,132	446,025	735,451
Change in Assets and Liabilities				
Accounts receivable	390,163	9,862	119,737	519,762
Due from other funds	(13,528)	613	(256,321)	(269,236)
Due from other governmental units	-	12,834	15,502	28,336
Inventories	(9,100)	-	(14,042)	(23,142)
Prepaid items	(377)	-	-	(377)
Accounts payable	(24,212)	(37,341)	84,057	22,504
Claims payable	-	-	-	-
Accrued liabilities	(2,251)	64,912	-	62,661
Other liabilities	-	(5,736)	23,942	18,206
Due to other funds	(826,013)	(127)	-	(826,140)
Due to other governments	-	-	(67,751)	(67,751)
Unearned revenues	-	(62,149)	70,117	7,968
Funds held in trust	1,811	-	-	1,811
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ (2,045,234)	\$ 54,533	\$ 827,880	\$ (1,162,821)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS				
Cash and investments - statement of net position - proprietary fund	\$ 104,580	\$ 265,991	\$ 400	\$ 370,971
Restricted cash and investments - statement of net position - proprietary funds	9,891	1,025,671	-	1,035,562
Non-cash equivalents	-	(1,025,671)	-	(1,025,671)
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 114,471	\$ 265,991	\$ 400	\$ 380,862
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES				
None				

See accompanying notes to financial statements.

GREEN COUNTY

STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
As of December 31, 2012

	<u>Agency Funds</u>
ASSETS	
Cash and investments	\$ 5,170,220
Taxes receivable	<u>443,493</u>
TOTAL ASSETS	<u>\$ 5,613,713</u>
LIABILITIES	
Accounts payable	\$ 68,981
Due to other governmental units	443,493
Funds held for others	<u>5,101,239</u>
TOTAL LIABILITIES	<u>\$ 5,613,713</u>

See accompanying notes to financial statements.

GREEN COUNTY

INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE	Page
I. Summary of Significant Accounting Policies	14
A. Reporting Entity	14
B. Government-Wide and Fund Financial Statements	15
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	17
D. Assets, Liabilities, and Net Position or Equity	19
1. Deposits and Investments	19
2. Receivables	20
3. Inventories and Prepaid Items	21
4. Restricted Assets	22
5. Capital Assets	22
6. Compensated Absences	23
7. Long-Term Obligations/Conduit Debt	23
8. Claims and Judgments	23
9. Equity Classifications	24
II. Reconciliation of Government-Wide and Fund Financial Statements	25
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position	25
III. Stewardship, Compliance, and Accountability	26
A. Budgetary Information	26
B. Limitations on the County's Tax Levy Rate and Its Ability to Issue New Debt	26
C. Limitations on the County's Tax Levy	27
IV. Detailed Notes on All Funds	27
A. Deposits and Investments	27
B. Receivables	29
C. Restricted Assets	31
D. Capital Assets	32
E. Interfund Receivables/Payables and Transfers	34
F. Long-Term Obligations	36
G. Lease Disclosures	38
H. Closure and Postclosure Care Cost	39
I. Governmental Activities Net Position/Fund Balances	39
J. Restatement of Net Position	42
V. Other Information	43
A. Employees' Retirement System	43
B. Risk Management	44
C. Commitments and Contingencies	44
D. Joint Ventures	45
E. Effect of New Accounting Standards on Current-Period Financial Statements	45

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Green County, Monroe, Wisconsin conform to generally accepted accounting principles as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of Green County. The reporting entity for the county consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government.

Included in the reporting entity:

Green County Housing Authority

The Green County Housing Authority is part of the reporting entity of Green County. However, the housing authority had no financial transactions during 2012. Also, the housing authority does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report.

The following organizations are not included in the reporting entity as they do not meet the criteria for inclusion:

- Tri-County Rails to Trails
- Southwestern Wisconsin Regional Planning Commission
- Green County Humane Society
- County Development Authority
- Green County Fair Board

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

In June 2011, the GASB issued Statement No. 63 – *Financing Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Previous financial reporting standards did not include guidance for those elements, which are distinct from assets and liabilities.

The county made the decision to implement this standard effective January 1, 2012.

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The county does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net position/fund equity, revenues, and expenditure/expenses.

Separate financial statements are provided for governmental funds and proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the county or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

- b. The same element of the individual governmental fund or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the county believes is particularly important to financial statement users may be reported as a major fund.

The county reports the following major governmental funds:

General Fund – accounts for the county’s primary operating activities. It is used to account for and report all financial resources except those accounted and reported for in another fund.

Human Services Special Revenue Fund – used to account for and report grants and local revenues legally restricted or committed to supporting expenditures for human services related programs.

The county reports the following major enterprise funds:

Pleasant View Nursing Home – accounts for operations of the nursing home

Landfill – accounts for operations of the landfill

Highway – accounts for operations of the highway department

The county reports the following nonmajor governmental funds:

Special Revenue Fund – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Revolving loan

Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.

Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

In addition, the county reports the following fund types:

Agency funds are used to account for and report assets held by the county in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. Agency funds include the Sheriff’s Trust Account, Huber Law, Clerk of Courts, District Attorney, Drainage Districts, Tax Collection, and Municipal Tax Collection funds.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and unearned revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the county considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for human services reimbursable grants, for which available is defined as six months. This is necessary to provide proper matching of grant revenues with the related expenditures. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Sales taxes are recognized as revenues in the year in which the underlying sales relating to it takes place.

Intergovernmental aids and grants are recognized as revenues in the period the county is entitled the resources and the amounts are available. Amounts owed to the county which are not available are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

The county reports deferred revenues on its governmental funds balance sheet. Deferred revenues arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the county has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the county has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Pleasant View Nursing Home, Landfill, and Highway funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the county considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Investment of county funds is restricted by state statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

The county has adopted an investment policy that follows the state statute for allowable investments.

Custodial Credit Risk

The county's investment policy states that funds placed in any single depository institution above \$650,000 must be 100% collateralized as to principal and accrued interest with securities that are obligations of the U.S. Government or its agencies that are fully guaranteed by the U.S. Government. Securities held as collateral shall be delivered for safekeeping to a custodial bank approved by the county.

Credit Risk

The county's investment policy states the county may invest in securities issued or guaranteed by the U.S. Government, U.S. Treasury obligations, State of Wisconsin local government investment pool, and corporate bonds issued by U.S. companies that are rated the highest or second highest rating category of a nationally recognized rating agency, and other allowable investments. Complete details are available in the county's investment policy.

Interest Rate Risk

The county's investment policy states the county may invest in U.S. Treasury obligations with a final maturity not exceeding five years, repurchase agreements with a termination date of 180 days or less, and corporate bonds with maturities not exceeding three years.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of various accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2012, the fair value of the county's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note IV.A. for further information.

2. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. They are not legally available for appropriation until the ensuing year. In addition to property taxes for the county, taxes are collected for and remitted to the state government as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other governmental units on the Statement of Fiduciary Net Position – Fiduciary Funds.

Property tax calendar – 2012 tax roll:

Lien date and levy date	December 2012
Tax bills mailed	December 2012
Payment in full, or	January 31, 2013
First installment due	January 31, 2013
Second installment due	July 31, 2013
Personal property taxes in full	January 31, 2013
Tax sale – 2012 delinquent real estate taxes	October 2015

Property taxes are due, in the year subsequent to levy, on the last day of January, and collected by local treasurers through that date, at which time unpaid taxes are assigned to the county and appropriate receivables and payables are recorded. Tax collections become the responsibility of the county and taxes receivable include unpaid taxes levied for all taxing entities within the county. The county makes restitution to local districts in August for payables recorded at the settlement date without regard to collected funds. A lien is placed on all properties for which a portion of the current tax levy remains unpaid as of September 1. The interest and penalties on taxes not paid within 60 days of the end of the current fiscal period is shown as deferred revenue until it is received in cash.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

The portion of county property taxes receivable at December 31, 2012, which relates to taxes initially levied by other municipalities and uncollected within sixty days after year-end, has been reflected in the accompanying financial statements as nonspendable fund balance of the general fund in the amount of \$1,017,891.

Accounts receivable in all funds have been adjusted for all known uncollectible accounts. No allowance for uncollectible delinquent taxes has been provided because of the county's demonstrated ability to recover any losses through the sale of the applicable property.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

The county has a 0.5% sales tax which is collected by the State of Wisconsin and remitted to the county monthly. Sales tax is accrued as a receivable when the underlying sale relating to it takes place. At December 31, 2012, the county has accrued two months of subsequent year's collections as receivable.

The county has received federal grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The county records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development and housing rehabilitation loans receivable has not been reduced by an allowance for uncollectible accounts.

It is the county's policy to record revenue when the initial loan is made from the federal grant funds. When new loans are made from loan repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

3. Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on the first-in/first-out (FIFO) method of accounting.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets, with the exception of those reported in the Pleasant View Nursing Home fund which reports general capital assets with an initial cost of \$1,000 or more, and an estimated useful life in excess of one year. Infrastructure assets include those with an initial cost of \$25,000 or more, and an estimated useful life in excess of one year. In addition, a \$20,000 threshold has been established for remodeling projects. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired, or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation and amortization of all exhaustible capital assets are recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization are provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	25-40 Years
Land Improvements	20-30 Years
Machinery and Equipment	2-20 Years
Infrastructure	20-50 Years
Intangibles	5-20 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

6. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2012 are determined on the basis of current salary rates and include salary related payments.

7. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the statement of net position.

The county does not engage in conduit debt transactions.

8. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental fund types if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

9. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the county’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements

Governmental fund equity is classified as fund balance. In accordance with Governmental Accounting Standards Board Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*, the county classifies governmental fund balance as follows:

- a. Nonspendable – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted – Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the county. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the county that originally created the commitment.
- d. Assigned – Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) Board identification, 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

9. Equity Classifications (cont.)

Fund Statements (cont.)

- e. Unassigned – Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The county considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the county would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note IV.I. for further information.

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. The details of this reconciliation include the following items:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Land	\$ 1,678,779
Land improvements	290,423
Buildings and improvements	15,557,936
Machinery and equipment	3,444,676
Infrastructure	73,428,702
Intangibles	121,000
Less: Accumulated depreciation	<u>(40,999,688)</u>
Capital Assets	<u>\$ 53,521,828</u>

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION (cont.)

Long-term liabilities applicable to the county's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities—both current and long-term—are reported in the statement of net position.

Bonds and notes payable	\$ 12,245,000
Compensated absences	974,162
Accrued interest	37,734
Capital leases	<u>37,012</u>
Combined Adjustment for Long-Term Liabilities	<u>\$ 13,293,908</u>

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C.

A budget has been adopted for all governmental funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

The budgeted amounts presented include any amendments made. The county may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds board action. Appropriations lapse at year end unless specifically carried over. Carryovers to the following year were \$3,367,481 and \$716,202 in the general fund and human services fund, respectively. Budgets are adopted at the detail level of expenditure.

B. LIMITATIONS ON THE COUNTY'S TAX LEVY RATE AND ITS ABILITY TO ISSUE NEW DEBT

As part of Wisconsin's State Budget Bill (1993 Act 16), new legislation was passed that limits the county's future tax levy rates. Generally, the county is limited to its 1992 tax levy rate for a five year period, based upon current legislation. However, this limitation does not affect debt authorized prior to August 12, 1993 or refunding bonds.

The county may also exceed the limitation by holding a referendum (according to state statutes) authorizing the county board to approve a higher rate. The county may also exceed the rate if it increases the services it provides due to a transfer of these services from another governmental unit.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

B. LIMITATIONS ON THE COUNTY'S TAX LEVY RATE AND ITS ABILITY TO ISSUE NEW DEBT (cont.)

The State Budget Bill also imposes restrictions on the county's ability to issue new debt. Generally, referendum approval is required to issue unlimited tax general obligation debt, with the following exceptions:

- > Refunding debt issues
- > 75% approval by the county board
- > A reasonable expectation that the new debt can be accommodated within the existing tax rate
- > Other exceptions as listed in State Statutes Section 67.045

As part of Wisconsin's Act 32 (2011), legislation was passed that temporarily suspends this limit for the county's levy imposed in December 2011 and December 2012.

C. LIMITATIONS ON THE COUNTY'S TAX LEVY

As part of Wisconsin's Act 32 (2011), legislation was passed that limits the county's future tax levies. Generally, the county is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the county's equalized value due to new construction, or zero percent for the 2011 levy collected in 2012 and thereafter. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions.

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The county maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

The county's cash and investments at year end were comprised of the following:

	Carrying Value	Statement Balance	Associated Risks
Deposits	\$ 15,086,585	\$ 15,039,223	Custodial credit
LGIP	504,762	504,762	Credit
Petty cash	3,155	-	N/A
Cash on hand	21,626	-	N/A
 Total Cash and Investments	 \$ 15,616,128	 \$ 15,543,985	

Reconciliation to financial statements

Per statement of net position

Unrestricted cash and investments	\$ 9,410,346
Restricted cash and investments	1,035,562

Per statement of assets and liabilities – Agency

	5,170,220
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 Total Cash and Investments	 \$ 15,616,128
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Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts), \$250,000 for interest-bearing demand deposit accounts, and unlimited amounts for noninterest bearing transaction accounts through December 31, 2012. On January 1, 2013, the temporary unlimited coverage for noninterest bearing transaction accounts expired. Therefore, demand deposit amounts (interest-bearing and noninterest bearing) are insured for a total of \$250,000 beginning January 1, 2013. In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing the custodial credit risk.

The county maintains collateral agreements and a letter of credit with its banks. At December 31, 2012, the banks had pledged various government securities in the amount of \$15,271,732 to secure the county's deposits.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the county's deposits may not be returned to the county.

The county does not have any deposits exposed to custodial credit risk.

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The county does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

At December 31, 2012, the county had investments in the following external pool which is not rated:

Local Government Investment Pool

B. RECEIVABLES

Receivables not expected to be collected within one year include \$1,017,891 in the general fund and \$577,277 in the revolving loan fund.

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned	Totals
Property taxes receivable for subsequent year	\$ -	\$ 13,840,444	\$ 13,840,444
Delinquent property taxes receivable	293,671	-	293,671
Other unavailable receivables	34,704	-	34,704
Grant drawdowns prior to meeting all eligibility requirements	-	39,229	39,229
Total Deferred/Unearned Revenue for Governmental Funds	\$ 328,375	\$ 13,879,673	\$ 14,208,048

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

Delinquent property taxes purchased from other taxing authorities are reflected as nonspendable fund balance at year-end. Delinquent property taxes collected within sixty days subsequent to year-end are considered to be available for current expenditures and are therefore excluded from the nonspendable portion of fund balances. Delinquent property taxes levied by the county are reflected as deferred revenue and are excluded from the fund balance until collected. At December 31, 2012, delinquent property taxes by year levied consists of the following:

	Total	County Levied	County Purchased
Tax Certificates			
2011	\$ 775,392	\$ 176,014	\$ 599,378
2010	394,770	86,375	308,395
2009	117,671	26,241	91,430
2008	20,568	4,401	16,167
2007	3,161	640	2,521
Total Delinquent Property Taxes Receivable	\$ 1,311,562	\$ 293,671	\$ 1,017,891

Enterprise funds defer revenue recognition in connection with resources that have been received, but not yet earned. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the enterprise funds were as follows:

	Unearned
Property taxes receivable for subsequent year	\$ 889,985
Depreciation collected in advance	713,697
Revenue collected in advance	144,457
Total Deferred/Unearned Revenue For Enterprise Funds	\$ 1,748,139

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

For economic development loans, the county is limited by the Wisconsin Department of Commerce to the amount of program income from economic development loans that it may retain and loan to other businesses. Program income includes the principal and interest received from economic development loans repayments. Based upon its current population, the county may retain \$750,000.

At December 31, 2012, the county has not exceeded its maximum retention cap. When it does, a liability to the state will be recorded.

C. RESTRICTED ASSETS

The Pleasant View Nursing Home has restricted assets in the amount of \$9,891. These restricted assets represent nursing home residents' funds held for safekeeping by the nursing home. The funds are maintained in individual savings accounts and the balance in a checking account. All interest earned is added to the respective residents' balance.

The landfill has restricted assets in the amount of \$1,025,671. These restricted assets represent landfill funds held for postclosure costs of the solid waste landfill. The funds are maintained in a trust account.

Restricted cash and investments and restricted net position of the county's enterprise funds as of December 31, 2012 consist of the following accounts:

	Restricted Assets	Amounts Payable From Restricted Assets	Restricted Net Position
Landfill financial responsibility	\$ 1,025,671	\$ 1,092,918	\$ (67,247)*
Pleasant View Nursing Home Resident Trust	9,891	9,891	-
Totals	\$ 1,035,562	\$ 1,102,809	\$ (67,247)

* Shows as zero in statement of net position. Per accounting standards, this cannot be shown as a negative restriction.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance (as restated)	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated/amortized				
Land	\$ 1,678,779	\$ -	\$ -	\$ 1,678,779
Capital assets being depreciated/amortized				
Land improvements	242,069	48,354	-	290,423
Buildings and improvements	15,529,228	72,125	43,417	15,557,936
Machinery and equipment	3,419,190	223,002	197,516	3,444,676
Intangibles	121,000	-	-	121,000
Roads	58,331,442	1,245,706	314,050	59,263,098
Bridges	8,863,500	572,441	77,400	9,358,541
Culverts	4,498,077	16,825	-	4,514,902
Sewer line	292,161	-	-	292,161
Total Capital Assets				
Being Depreciated/Amortized	<u>91,296,667</u>	<u>2,178,453</u>	<u>632,383</u>	<u>92,842,737</u>
Less: Accumulated depreciation/amortization for				
Land improvements	(43,527)	(10,214)	-	(53,741)
Buildings and improvements	(2,941,072)	(339,927)	-	(3,280,999)
Machinery and equipment	(1,691,811)	(237,690)	(181,004)	(1,748,497)
Intangibles	(14,846)	(12,100)	-	(26,946)
Roads	(30,202,475)	(1,547,900)	(314,050)	(31,436,325)
Bridges	(2,064,800)	(183,400)	(69,000)	(2,179,200)
Culverts	(2,164,180)	(79,240)	-	(2,243,420)
Sewer line	(24,717)	(5,843)	-	(30,560)
Total Accumulated Depreciation/Amortization	<u>(39,147,428)</u>	<u>(2,416,314)</u>	<u>(564,054)</u>	<u>(40,999,688)</u>
Net Capital Assets Being Depreciated/Amortized	<u>52,149,239</u>	<u>(237,861)</u>	<u>68,329</u>	<u>51,843,049</u>
 Total Governmental Activities Capital Assets, Net of Depreciation/Amortization	 <u>\$ 53,828,018</u>	 <u>\$ (237,861)</u>	 <u>\$ 68,329</u>	 <u>\$ 53,521,828</u>

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 333,153
Public safety	246,636
Public works, which includes the depreciation of roads, bridges and culverts	1,810,540
Health and human services	14,555
Culture, recreation and education	2,101
Conservation and economic development	<u>9,329</u>

Total Governmental Activities Depreciation/Amortization Expense \$ 2,416,314

	<u>Beginning Balance (as restated)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type Activities				
Capital assets not being depreciated				
Land	\$ 26,417	\$ -	\$ -	\$ 26,417
Construction in progress	<u>278,378</u>	<u>43,300</u>	-	<u>321,678</u>
Total Capital Assets Not Being Depreciated	<u>304,795</u>	<u>43,300</u>	-	<u>348,095</u>
Capital assets being depreciated				
Land improvements	3,863,680	28,210	-	3,891,890
Buildings and improvements	5,884,181	252,510	5,096	6,131,595
Machinery and equipment	<u>12,895,090</u>	<u>730,895</u>	<u>272,327</u>	<u>13,353,658</u>
Total Capital Assets Being Depreciated	<u>22,642,951</u>	<u>1,011,615</u>	<u>277,423</u>	<u>23,377,143</u>
Less: Accumulated depreciation for				
Land improvements	(3,646,982)	(44,239)	-	(3,691,221)
Buildings and improvements	(5,308,510)	(52,433)	(5,096)	(5,355,847)
Machinery and equipment	<u>(7,947,278)</u>	<u>(638,779)</u>	<u>(235,678)</u>	<u>(8,350,379)</u>
Total Accumulated Depreciation	<u>(16,902,770)</u>	<u>(735,451)</u>	<u>(240,774)</u>	<u>(17,397,447)</u>
Business-type Capital Assets, Net of Depreciation	<u><u>\$ 6,044,976</u></u>	<u><u>\$ 319,464</u></u>	<u><u>\$ 36,649</u></u>	<u><u>\$ 6,327,791</u></u>

Depreciation expense was charged to functions as follows:

Business-type Activities

Pleasant View Nursing Home	\$ 189,294
Landfill	100,132
Highway	<u>446,025</u>
Total Business-type Activities Depreciation Expense	<u><u>\$ 735,451</u></u>

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Human Services	\$ 527
General	Highway	212,065
Pleasant View Nursing Home	General	83,273
Pleasant View Nursing Home	Human Services	7,731
Landfill	General	284
Highway	General	312,223
Highway	Human Services	682
Highway	Pleasant View Nursing Home	1,859
Highway	Landfill	384
Sub-Total Fund		619,028
Financial Statements		619,028
Less: Fund eliminations		(2,770)
Less: Government-wide eliminations		(808,386)
Total Internal Balances – Government-Wide Statement of Net Position		\$ (192,128)
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 212,065
Business-type activities	Governmental activities	(404,193)
Total Government-wide Financial Statements		\$ (192,128)

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

All amounts are due within one year.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General	Human Services	\$ 3,186	Interest allocation
General	Human Services	111,874	Return of surplus
General	Debt Service	2,525	Interest allocation
General	Debt Service	4	Return of surplus
General	Capital Projects	1,942	Interest allocation
General	Pleasant View Nursing Home	477	Interest allocation
General	Landfill	181	Interest allocation
General	Highway	553,269	Machinery earnings
Human Services	General	100,000	Housing assistance
Pleasant View Nursing Home	Capital Projects	<u>234,225</u>	Projects
Sub-Total – Fund Financial Statements		1,007,683	
Less: Fund eliminations		(219,531)	
Less: Government-wide eliminations		<u>(468,450)</u>	
Total Transfers – Government-Wide Statement of Activities		<u>\$ 319,702</u>	
<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	
Governmental Activities	Business-type Activities	\$ 553,927	
Business-type Activities	Governmental Activities	<u>(234,225)</u>	
Total		<u>\$ 319,702</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2012 was as follows:

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable					
General obligation debt	\$ 12,820,000	\$ -	\$ 575,000	\$ 12,245,000	\$ 590,000
Other Liabilities					
Vested compensated absences	930,951	428,136	384,925	974,162	382,096
Capital leases	27,827	20,108	10,923	37,012	10,312
Total Other Liabilities	958,778	448,244	395,848	1,011,174	392,408
Total Governmental Activities Long-Term Liabilities	\$ 13,778,778	\$ 448,244	\$ 970,848	\$ 13,256,174	\$ 982,408
BUSINESS-TYPE ACTIVITIES					
Other Liabilities					
Vested compensated absences	\$ 725,985	\$ 290,240	\$ 261,795	\$ 754,430	\$ 276,614
Capital leases	1,298,957	-	355,062	943,895	310,348
Total Business-type Activities Long-Term Liabilities	\$ 2,024,942	\$ 290,240	\$ 616,857	\$ 1,698,325	\$ 586,962

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the county. Notes and bonds in the governmental funds will be retired by future property tax levies accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the county may not exceed 5% of the equalized value of taxable property within the county's jurisdiction. The debt limit as of December 31, 2012, was \$130,572,775. Total general obligation debt outstanding at year end was \$12,245,000.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/12
Governmental Activities General Obligation Debt					
General obligation Bonds	12/1/07	12/1/27	4%	\$ 5,000,000	\$ 5,000,000
Refunding bonds	6/1/10	12/1/28	3.5% - 4.25%	8,235,000	<u>7,245,000</u>
Total					<u>\$ 12,245,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities General Obligation Debt	
	<u>Principal</u>	<u>Interest</u>
2013	\$ 590,000	\$ 452,712
2014	600,000	440,913
2015	620,000	421,862
2016	640,000	402,163
2017	660,000	380,062
2018 – 2022	3,690,000	1,516,450
2023 – 2027	4,445,000	757,290
2028	<u>1,000,000</u>	<u>42,500</u>
Totals	<u>\$ 12,245,000</u>	<u>\$ 4,413,952</u>

Capital Leases

Refer to Note IV. G.

Other Debt Information

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The county believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

G. LEASE DISCLOSURES

Lessee – Capital Leases

In 2008 through 2012, the county acquired capital assets through lease/purchase agreements. The gross amount of these assets under capital leases is \$67,003, which are included in capital assets in the governmental activities. In 2008 through 2010, the landfill acquired capital assets through lease/purchase agreements. The gross amount of these assets under capital lease is \$185,740, which are included in property and equipment in the landfill fund. In 2005, the Pleasant View Nursing Home acquired capital assets through a lease/purchase agreement. The gross amount of those assets under capital lease is \$2,028,345, which are included in property and equipment in the Pleasant View Nursing Home fund. In 2008 through 2011, the highway acquired capital assets through lease/purchase agreements. The gross amount of these assets under capital lease is \$380,345, which are included in the property and equipment in the highway fund. Debt service requirements to maturity are as follows:

Years	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2013	\$ 10,313	\$ 1,754	\$ 310,609	\$ 32,408
2014	10,731	1,324	312,021	20,182
2015	6,465	856	321,264	8,094
2016	5,984	470	1	-
2017	3,519	125	-	-
Totals	<u>\$ 37,012</u>	<u>\$ 4,529</u>	<u>\$ 943,895</u>	<u>\$ 60,684</u>

Lessee – Operating Leases

The county has no material operating leases with a remaining noncancellable term exceeding one year.

Lessor – Capital Leases

The county has no material outstanding sales-type or direct financing leases.

Lessor – Operating Leases

The county does not receive material lease payments from property rented to others.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the county to place a final cover on its solid waste landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 40 years after closure. The county closed the landfill in 2000. Postclosure care costs will be paid over a period of 40 years after the date that the landfill stops accepting waste. The \$1,092,918 reported as landfill postclosure care liability at December 31, 2012, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the landfill. These amounts are based on what it would cost to perform all postclosure care in 2012. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The county, as required by state and federal laws and regulations, maintains a long term care trust to finance future closure and post closure costs. The Wisconsin Department of Natural Resources has determined that the fund is sufficient to complete the long term care work at the landfill and does not require annual contributions to the trust. At December 31, 2012, investments of \$1,025,671 are held for these purposes. These are reported as restricted assets. The county expects that this balance plus interest earnings on these funds will be sufficient to cover annual costs plus inflation for long-term care costs at some future date. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

The DNR has approved annual withdrawals from the fund to cover the estimated annual long term care costs. In 2012, the DNR authorized the withdrawal of \$47,226 from this fund.

I. GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES

Governmental activities net position reported on the government wide statement of net position at December 31, 2012 includes the following:

Governmental Activities

Net investment in capital assets	
Land	\$ 1,678,779
Other capital assets, net of accumulated depreciation	51,843,049
Less: Related long-term debt outstanding	<u>(12,282,012)</u>
Total Net Investment in Capital Assets	<u>\$ 41,239,816</u>

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

I. GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (cont.)

Governmental Activities (cont.)

Governmental fund balances reported on the fund financial statements at December 31, 2012 include the following:

Nonspendable	
General Fund	
Long-term receivables	\$ 1,017,891
Prepaid items	<u>356,534</u>
Total	<u>\$ 1,374,425</u>
Restricted	
General Fund	
Grant purposes	\$ 189,478
Jail improvement	76,522
Land information	<u>106,630</u>
Total	<u>\$ 372,630</u>
Human Services Special Revenue Funds	
Grant purposes	\$ 109,010
Donor-restricted	<u>467,788</u>
Total	<u>\$ 576,798</u>
Nonmajor Funds	
Revolving Loan Special Revenue Fund	
Long-term receivables	<u>\$ 1,275,604</u>
Assigned	
General Fund	<u>\$ 2,994,851</u>
Human Services Special Revenue Fund	<u>\$ 139,404</u>
Nonmajor Funds	
Capital Projects Fund – future capital projects	<u>\$ 262,787</u>
Unassigned	
General Fund	<u>\$ 4,393,012</u>

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

I. GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (cont.)

Governmental Activities (cont.)

The general fund and human services special revenue fund assigned fund balances are comprised of the following:

General Fund	
Computer replacement fund	\$ 4,307
Property courthouse	12,000
Courthouse renovation	3,620
Library board	868
UW extension – tractor safety	2,567
Pesticide applicator training	8,602
Clean sweep	13,072
Tourism	348
Rail commission	63,439
Highway – CTHS maintenance	140,632
Highway – CTHS construction	379,106
Highway – County bridges	122,346
K-9 unit	749
DARE	4,212
Property forfeitures	23,950
Youth and community	7,300
Dental clinic	1,940
Trout unlimited	10,524
Land conservation – special projects	11,306
Sales tax fund – assigned for 2013 operations	<u>2,183,963</u>
Total	<u>\$ 2,994,851</u>
Human Services	
Community support program	\$ 1,742
Comprehensive community service	132
Information and assistance	115,952
CYF special funding	5,728
Children’s Advocacy Center fundraising	11,571
Hand in Hand day care	4,209
Prevention/wellness	<u>70</u>
Total	<u>\$ 139,404</u>

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

I. GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net investment in capital assets	
Land	\$ 26,417
Construction in progress	321,678
Other capital assets, net of accumulated depreciation	5,979,696
Less: Related long-term debt outstanding	<u>(943,895)</u>
Total Net Investment in Capital Assets	5,383,896
Unrestricted	<u>957,584</u>
Total Business-type Activities Net Position	<u>\$ 6,341,480</u>

J. RESTATEMENT OF NET POSITION

Net position has been restated to adjust for the highway fund, which was previously shown as an internal service fund and as part of governmental activities which is now shown as an enterprise fund and as part of business-type activities.

Governmental Activities Net Position – December 31, 2011 (as reported)	\$ 55,353,748
Less: Highway change to enterprise fund	<u>(4,093,634)</u>
Net Position – December 31, 2011 (as restated)	<u>\$ 51,260,114</u>
Business-type Activities Net Position – December 31, 2011 (as reported)	\$ 1,436,229
Add: Highway change to enterprise fund	<u>4,093,634</u>
Net Position – December 31, 2011 (as restated)	<u>\$ 5,529,863</u>
Highway Internal Service Fund Net Position – December 31, 2011 (as reported)	\$ 4,532,769
Less: Highway change to enterprise fund	<u>(4,532,769)</u>
Net Position – December 31, 2011 (as restated)	<u>\$ -</u>
Highway Enterprise Fund Net Position – December 31, 2011 (as reported)	\$ -
Add: Highway change to enterprise fund	<u>4,532,769</u>
Net Position – December 31, 2011 (as restated)	<u>\$ 4,532,769</u>

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

All eligible county employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system (PERS). All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work over 600 hours a year, and expected to be employed for at least one year from the employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year, and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

Prior to June 29, 2011, covered employees in the General category were required by statute to contribute 6.5% of their salary (3.9% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 4.8% for Protective Occupations without Social Security) to the plan. Employers could make these contributions to the plan on behalf of employees. Employers were required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

Effective the first day of the first pay period on or after June 29, 2011, the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees and Executives and Elected Officials. Required contributions for protective contributions are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates for 2012 are:

	<u>Employee</u>	<u>Employer</u>
General	5.9%	5.9%
Executives and Elected Officials	7.05%	7.05%
Protective with Social Security	5.9%	9.0%
Protective without Social Security	5.9%	11.3%

The payroll for county employees covered by WRS for the year ended December 31, 2012 was \$15,254,361; the employer's total payroll was \$15,827,489. The total required contribution for the year ended December 31, 2012 was \$1,926,410 or 12.63 percent of covered payroll. Of this amount, 100 percent was contributed for the current year. Total contributions for the years ending December 31, 2011 and 2010 were \$1,841,241 and \$1,808,910, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest years' earnings. Employees terminating covered employment and submitting an application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011 are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

WRS also provides death and disability benefits for employees. Eligibility for and the amount of all benefits is determined under Chapter 40 of Wisconsin Statutes. WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

As of December 31, 2012, there was no pension-related debt for the county.

B. RISK MANAGEMENT

The county is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers' compensation; and health care of its employees. The county participates in a public entity risk pool called Wisconsin County Mutual Insurance Corporation to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omission; and workers' compensation. However, other risks, such as health care of its employees, are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded available coverage in any of the three prior years. There were no significant reductions in coverage compared to the prior year.

Public Entity Risk Pool

Wisconsin County Mutual Insurance Corporation

Fifty-five Wisconsin counties jointly participate in the Wisconsin County Mutual Insurance Corporation (WCMIC) for general and automobile liability insurance. The creation of the County Mutual requires the establishment of capital reserves with each of the participating counties depositing amounts as specified in projected rates. This company began operation on January 1, 1988. Green County's approximate share of the operation is 3.55%.

The governing body is made up of nineteen directors elected by the participating counties. The governing body has authority to adopt its own budget and control the financial affairs of the corporation.

Summary financial information of WCMIC as of December 31, 2012 can be obtained directly from WCMIC's offices.

C. COMMITMENTS AND CONTINGENCIES

From time to time, the county is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the county attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the county's financial position or results of operations.

The county has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

GREEN COUNTY

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2012

NOTE V – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

Funding for the operating budget of the county comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the county. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems, and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the county.

The county is currently negotiating its landfill contracts for 2013 and beyond. Depending on the outcome of these negotiations, levels of service at the landfill may change.

D. JOINT VENTURES

Green County, Lafayette County, and Iowa County jointly operate the Tri-County Trails Commission (the “commission”) which maintains and manages the Monroe to Mineral Point railroad right-of-way for use as an all year, all purpose public recreational corridor.

The governing body is made up of commissioners from each county. Local representatives are appointed by the chair of their respective county boards. The governing body has authority to adopt its own budget and control the financial affairs of the commission.

Financial information of the commission as of December 31, 2012 is available directly from the commission’s office.

E. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*; Statement No. 65, *Items Previously Reported as Assets and Liabilities*; Statement No. 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*; Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*; and Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. Application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

GREEN COUNTY

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
REVENUES				
TAXES				
General property taxes	\$ 9,979,797	\$ 10,011,228	\$ 10,011,228	\$ -
Forest crop tax	3,274	1,436	1,436	-
Register of deeds - real estate transfer tax	45,000	73,102	73,102	-
Treasurer - sales tax	3,615	9,389	9,389	-
County sales tax	2,000,000	2,209,359	2,209,359	-
Total Taxes	<u>12,031,686</u>	<u>12,304,514</u>	<u>12,304,514</u>	<u>-</u>
INTERGOVERNMENTAL				
Shared taxes from state	344,902	345,724	345,724	-
Highway aids	938,351	938,351	938,351	-
Other local grants	110,206	127,443	127,443	-
Clerk of court	55,302	59,842	59,842	-
Zoning	50,000	85,879	85,879	-
Circuit court	55,302	59,842	59,842	-
Juries	16,200	7,186	7,186	-
Indigent counsel	29,585	29,501	29,501	-
District attorney	30,405	21,345	21,345	-
Land records - WLIP	300	164,632	164,632	-
Sheriff	34,600	29,099	29,099	-
Emergency management	135,455	72,784	72,784	-
Jail	750	1,166	1,166	-
Public health	230,268	247,283	247,283	-
Child support	305,473	342,319	342,319	-
Veterans service	10,000	10,000	10,000	-
Parks	26,063	23,147	23,147	-
University extension	5,525	5,620	5,620	-
Wildlife damage	1,750	5,182	5,182	-
Tourism	-	19,775	19,775	-
Land conservation	217,332	251,205	251,205	-
Total Intergovernmental	<u>2,597,769</u>	<u>2,847,325</u>	<u>2,847,325</u>	<u>-</u>

See independent auditors' report and accompanying notes to required supplementary information.

GREEN COUNTY

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)
 BUDGET AND ACTUAL
 For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
LICENSES AND PERMITS				
Clerk of courts	\$ 80	\$ 220	\$ 220	\$ -
Humane society	-	11,000	11,000	-
Family counseling	3,500	3,620	3,620	-
County clerk	7,300	8,433	8,433	-
Zoning	188,000	185,595	185,595	-
Parks	700	900	900	-
Total Licenses and Permits	<u>199,580</u>	<u>209,768</u>	<u>209,768</u>	<u>-</u>
FINES, FORFEITURES AND PENALTIES				
Clerk of courts	164,800	158,190	158,190	-
Corporation counsel	2,000	2,089	2,089	-
Family counseling	3,800	4,164	4,164	-
Treasurer	5,545	4,708	4,708	-
Sheriff	50,000	43,040	43,040	-
Jail	40,000	35,969	35,969	-
Parental education	55	50	50	-
Land conservation	-	2,400	2,400	-
Zoning	4,400	4,715	4,715	-
Total Fines, Forfeitures and Penalties	<u>270,600</u>	<u>255,325</u>	<u>255,325</u>	<u>-</u>
PUBLIC CHARGES FOR SERVICES				
Data processing	180	253	253	-
Clerk of courts	7,500	3,390	3,390	-
Circuit court	15,300	26,392	26,392	-
Expert witness	500	981	981	-
Family counseling	1,700	500	500	-
Parental education	8,300	7,935	7,935	-
Indigent counseling	42,000	80,267	80,267	-
Coroner	15,000	17,492	17,492	-
County clerk	3,770	5,543	5,543	-
Treasurer	3,100	2,168	2,168	-
Accounting	55	199	199	-
District attorney	1,700	3,124	3,124	-
Corporation counsel	1,000	1,471	1,471	-
Register of deeds	154,670	187,248	187,248	-
Land records	99,548	123,657	123,657	-
Courthouse	1,700	2,315	2,315	-
Sheriff	83,000	94,391	94,391	-
Emergency management	-	290	290	-

See independent auditors' report and accompanying notes to required supplementary information.

GREEN COUNTY

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)
BUDGET AND ACTUAL
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
PUBLIC CHARGES FOR SERVICES (cont.)				
Jail	\$ 83,600	\$ 80,995	\$ 80,995	\$ -
Public health	36,300	69,807	69,807	-
Child support	5,850	4,939	4,939	-
Zoning	13,575	16,820	16,820	-
University extension	3,200	3,163	3,163	-
Pesticide applicator training	550	795	795	-
Tree planter	6,500	7,982	7,982	-
Land conservation	2,375	2,350	2,350	-
Community development block grant	1,185	26,946	26,946	-
Home grant	-	33,209	33,209	-
Humane Society	-	100	100	-
Tourism	39,025	45,112	45,112	-
Total Public Charges for Services	<u>631,183</u>	<u>849,834</u>	<u>849,834</u>	<u>-</u>
INTERGOVERNMENTAL CHARGES FOR SERVICES				
Clerk of courts	10,500	8,907	8,907	-
Treasurer	5,285	5,731	5,731	-
Data processing	21,000	21,360	21,360	-
Emergency management	-	-	-	-
Jail	14,000	13,901	13,901	-
Public health	373,440	417,092	417,092	-
Humane society	11,000	-	-	-
Accounting	150	-	-	-
Elections	-	3,646	3,646	-
Total Intergovernmental Charges for Services	<u>435,375</u>	<u>470,637</u>	<u>470,637</u>	<u>-</u>
INVESTMENT INCOME				
Investment income	49,155	56,197	56,197	-
Interest and penalties on taxes	300,000	440,704	440,704	-
Total Investment Income	<u>349,155</u>	<u>496,901</u>	<u>496,901</u>	<u>-</u>
MISCELLANEOUS				
Rent	102,298	103,193	103,193	-
Sale of property	29,050	46,601	46,601	-
Insurance recoveries	2,500	13,024	13,024	-
Donations	5,100	35,614	35,614	-
Miscellaneous	50,193	55,883	55,883	-
Total Miscellaneous	<u>189,141</u>	<u>254,315</u>	<u>254,315</u>	<u>-</u>
TOTAL REVENUES	<u>\$ 16,704,489</u>	<u>\$ 17,688,619</u>	<u>\$ 17,688,619</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to required supplementary information.

GREEN COUNTY

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)
 BUDGET AND ACTUAL
 For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
EXPENDITURES				
GENERAL GOVERNMENT				
Section corners	\$ 3,300	\$ 2,935	\$ 2,935	\$ -
County board	39,940	38,327	38,327	-
Clerk of courts	392,214	384,873	384,873	-
Circuit court	169,321	163,406	163,406	-
Expert witness	9,800	13,983	13,983	-
Family court commissioner	77,015	75,453	75,453	-
Family counseling	11,205	15,062	15,062	-
Law library	8,900	9,283	9,283	-
Juries	16,200	7,187	7,187	-
Indigent counseling fees	125,000	145,654	145,654	-
Coroner	114,279	113,382	113,382	-
Administrative coordinator	7,387	7,530	7,530	-
County clerk	265,690	279,000	279,000	-
Treasurer	256,070	251,562	251,562	-
Accounting	217,514	216,219	216,219	-
Indirect cost allocation	5,865	5,865	5,865	-
Data processing	326,273	317,449	317,449	-
Independent auditing	30,000	19,352	19,352	-
District attorney - prosecution	113,930	105,360	105,360	-
District attorney - victim witness	50,672	48,346	48,346	-
Corporation counsel	227,510	229,036	229,036	-
Register of deeds	184,328	180,031	180,031	-
Land records - WLIP	93,170	280,966	280,966	-
Property	433,796	481,948	481,948	-
Pleasant view complex	463,502	428,835	428,835	-
Tax deed expenditure	165	325	325	-
Uncollected personal property	2,720	482	482	-
Labor negotiations	10,000	(8,007)	(8,007)	-
Total General Government	<u>3,655,766</u>	<u>3,813,844</u>	<u>3,813,844</u>	<u>-</u>

See independent auditors' report and accompanying notes to required supplementary information.

GREEN COUNTY

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)
BUDGET AND ACTUAL
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
PUBLIC SAFETY				
Sheriff	\$ 4,035,786	\$ 3,918,044	\$ 3,918,044	\$ -
Emergency management	107,259	100,435	100,435	-
Jail	1,514,160	1,500,446	1,500,446	-
Jail improvements	16,850	8,564	8,564	-
Homeland security	3,265	9,782	9,782	-
Emergency assistance grant	75,585	11,277	11,277	-
Total Public Safety	<u>5,752,905</u>	<u>5,548,548</u>	<u>5,548,548</u>	<u>-</u>
PUBLIC WORKS				
Highway charges	4,775,464	5,105,094	5,105,094	-
Rail commission	26,325	26,484	26,484	-
County waste	3,465	3,910	3,910	-
Total Public Works	<u>4,805,254</u>	<u>5,135,488</u>	<u>5,135,488</u>	<u>-</u>
HEALTH AND HUMAN SERVICES				
Public health	938,280	997,260	997,260	-
Child support	326,323	324,557	324,557	-
Veterans service	142,248	139,301	139,301	-
Humane society	47,485	49,760	49,760	-
Total Health and Human Services	<u>1,454,336</u>	<u>1,510,878</u>	<u>1,510,878</u>	<u>-</u>
CULTURE, RECREATION AND EDUCATION				
Library board	423,240	422,564	422,564	-
4-H Fair	8,000	8,000	8,000	-
Parks	11,404	7,597	7,597	-
Parks - snowmobile	24,500	21,584	21,584	-
Tri-county trail commission	1,700	1,668	1,668	-
University extension	275,569	274,705	274,705	-
Total Culture, Recreation and Education	<u>744,413</u>	<u>736,118</u>	<u>736,118</u>	<u>-</u>

See independent auditors' report and accompanying notes to required supplementary information.

GREEN COUNTY

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)
 BUDGET AND ACTUAL
 For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
CONSERVATION AND ECONOMIC DEVELOPMENT				
Wildlife damage program	\$ 1,500	\$ 4,931	\$ 4,931	\$ -
Land conservation	228,923	231,073	231,073	-
Pesticide application	75	36	36	-
Land conservation - special projects	85,242	115,133	115,133	-
Tree planter	4,500	5,540	5,540	-
Farmland preservation	17,825	27,600	27,600	-
Regional planning commission	38,181	38,114	38,114	-
Economic development	59,564	59,743	59,743	-
Tourism	170,856	211,071	211,071	-
Conservation league	490	-	-	-
Zoning	<u>259,419</u>	<u>296,115</u>	<u>296,115</u>	<u>-</u>
Total Conservation and Economic Development	<u>866,575</u>	<u>989,356</u>	<u>989,356</u>	<u>-</u>
 Total Expenditures	<u>17,279,249</u>	<u>17,734,232</u>	<u>17,734,232</u>	<u>-</u>
 Deficiency of revenues over expenditures	<u>(574,760)</u>	<u>(45,613)</u>	<u>(45,613)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Capital lease issued	-	20,108	20,108	-
Transfers in	-	673,458	673,458	-
Transfers out	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>593,566</u>	<u>593,566</u>	<u>-</u>
 Net change in fund balance	<u>(574,760)</u>	<u>547,953</u>	<u>547,953</u>	<u>-</u>
 FUND BALANCE - Beginning of Year	<u>8,586,965</u>	<u>8,586,965</u>	<u>8,586,965</u>	<u>-</u>
 FUND BALANCE - END OF YEAR	<u>\$ 8,012,205</u>	<u>\$ 9,134,918</u>	<u>\$ 9,134,918</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to required supplementary information.

GREEN COUNTY

HUMAN SERVICES SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
REVENUES				
Taxes	\$ 2,527,182	\$ 2,527,182	\$ 2,527,182	\$ -
Intergovernmental	4,755,061	4,048,672	4,048,672	-
Fines, forfeitures and penalties	40,000	38,385	38,385	-
Public charges for services	1,198,246	1,562,852	1,562,852	-
Intergovernmental charges for services	146,939	560,130	560,130	-
Miscellaneous	39,763	72,211	72,211	-
Total Revenues	<u>8,707,191</u>	<u>8,809,432</u>	<u>8,809,432</u>	<u>-</u>
EXPENDITURES				
Health and human services	<u>8,712,544</u>	<u>8,782,842</u>	<u>8,782,842</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(5,353)</u>	<u>26,590</u>	<u>26,590</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	100,000	100,000	-
Transfers out	-	(115,060)	(115,060)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(15,060)</u>	<u>(15,060)</u>	<u>-</u>
Net change in fund balance	(5,353)	11,530	11,530	-
FUND BALANCE - Beginning of Year	<u>704,672</u>	<u>704,672</u>	<u>704,672</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 699,319</u>	<u>\$ 716,202</u>	<u>\$ 716,202</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to required supplementary information.

GREEN COUNTY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2012

BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

There were no excess expenditures over appropriations.

SUPPLEMENTARY INFORMATION

GREEN COUNTY

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2012

	Special Revenue Fund <u>Revolving Loan</u>	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 456,974	\$ -	\$ 267,706	\$ 724,680
Taxes receivable	-	1,042,712	375,000	1,417,712
Loans receivable	<u>818,630</u>	<u>-</u>	<u>-</u>	<u>818,630</u>
 TOTAL ASSETS	 <u>\$ 1,275,604</u>	 <u>\$ 1,042,712</u>	 <u>\$ 642,706</u>	 <u>\$ 2,961,022</u>
 LIABILITIES AND FUND BALANCES				
Accounts payable	\$ -	\$ -	\$ 4,919	\$ 4,919
Deferred revenues	-	<u>1,042,712</u>	<u>375,000</u>	<u>1,417,712</u>
Total Liabilities	<u>-</u>	<u>1,042,712</u>	<u>379,919</u>	<u>1,422,631</u>
 Fund Balances				
Restricted	1,275,604	-	-	1,275,604
Assigned	<u>-</u>	<u>-</u>	<u>262,787</u>	<u>262,787</u>
Total Fund Balances	<u>1,275,604</u>	<u>-</u>	<u>262,787</u>	<u>1,538,391</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 1,275,604</u>	 <u>\$ 1,042,712</u>	 <u>\$ 642,706</u>	 <u>\$ 2,961,022</u>

GREEN COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2012

	Special Revenue Fund Revolving Loan	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	\$ 1,039,213	\$ 200,000	\$ 1,239,213
Investment income	<u>27,517</u>	<u>2,526</u>	<u>1,942</u>	<u>31,985</u>
Total Revenues	<u>27,517</u>	<u>1,041,739</u>	<u>201,942</u>	<u>1,271,198</u>
EXPENDITURES				
Current				
General government	-	-	14,834	14,834
Health and human services	-	-	40,724	40,724
Debt Service				
Principal	-	575,000	-	575,000
Interest and fiscal charges	-	<u>464,210</u>	-	<u>464,210</u>
Total Expenditures	<u>-</u>	<u>1,039,210</u>	<u>55,558</u>	<u>1,094,768</u>
Excess of revenues over expenditures	<u>27,517</u>	<u>2,529</u>	<u>146,384</u>	<u>176,430</u>
OTHER FINANCING USES				
Transfers out	-	<u>(2,529)</u>	<u>(236,167)</u>	<u>(238,696)</u>
Total Other Financing Uses	<u>-</u>	<u>(2,529)</u>	<u>(236,167)</u>	<u>(238,696)</u>
Net change in fund balance	27,517	-	(89,783)	(62,266)
FUND BALANCES - Beginning of Year	<u>1,248,087</u>	<u>-</u>	<u>352,570</u>	<u>1,600,657</u>
FUND BALANCES - END OF YEAR	<u>\$1,275,604</u>	<u>\$ -</u>	<u>\$ 262,787</u>	<u>\$ 1,538,391</u>

GREEN COUNTY

COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
As of December 31, 2012

	Sheriff's Trust Account	Huber Law	Clerk of Courts	District Attorney	Drainage Districts	Tax Collection	Municipal Tax Collection	Totals
ASSETS								
Cash and investments	\$ 1	\$ 38,391	\$ 253,002	\$ 3,239	\$ 69,460	\$ -	\$4,806,127	\$ 5,170,220
Taxes receivable	-	-	-	-	-	443,493	-	443,493
TOTAL ASSETS	<u>\$ 1</u>	<u>\$ 38,391</u>	<u>\$ 253,002</u>	<u>\$ 3,239</u>	<u>\$ 69,460</u>	<u>\$ 443,493</u>	<u>\$4,806,127</u>	<u>\$ 5,613,713</u>
LIABILITIES								
Accounts payable	-	-	\$ 68,981	-	-	-	-	\$ 68,981
Due to other governmental units	-	-	-	-	-	443,493	-	443,493
Funds held for others	1	38,391	184,021	3,239	69,460	-	4,806,127	5,101,239
TOTAL LIABILITIES	<u>\$ 1</u>	<u>\$ 38,391</u>	<u>\$ 253,002</u>	<u>\$ 3,239</u>	<u>\$ 69,460</u>	<u>\$ 443,493</u>	<u>\$4,806,127</u>	<u>\$ 5,613,713</u>